

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON  
PORTLAND DIVISION

UNITED STATES OF AMERICA, )  
)  
Plaintiff, ) No. 3:18-cr-00319-JO-4  
)  
vs. ) February 14, 2019  
)  
KENNETH EARL HAUSE, ) Portland, Oregon  
)  
Defendant. )

TRANSCRIPT OF PROCEEDINGS

(Review of Detention)

BEFORE THE HONORABLE ROBERT E. JONES  
UNITED STATES DISTRICT COURT SENIOR JUDGE

Court Reporter: Ryan White, RMR, CRR, CSR/CCR  
United States District Courthouse  
1000 SW 3rd Avenue, Room 301  
Portland, Oregon 97204  
(503) 326-8184

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APPEARANCES

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1 (February 14, 2019; 11:30 a.m.)

2

3

P R O C E E D I N G S

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5

THE COURT: Good morning, everybody. Have a seat.

6

MR. BOFFERDING: Good morning, Your Honor.

7

THE COURT: Announce the case, please.

8

MR. MYGRANT: Good morning, Your Honor. Steve Mygrant

9

on behalf of the government.

10

This is the United States versus Kenneth Hause. It's

11

3:18-cr-00319, Your Honor.

12

He's present. He's in the custody of the United

13

States Marshals. He's accompanied by counsel, Mr. Bofferding.

14

Also with me at counsel table on behalf of the

15

government is Rebecca Staton, a trial lawyer from the organized

16

crime gang section back in Washington DC.

17

We are here for a detention hearing, Your Honor. The

18

government has submitted written memorandum representing our

19

request to detain the defendant pending trial.

20

We've also offered six exhibits which we have provided

21

copies to defense counsel and forwarded to Your Honor prior to

22

this hearing. I would ask for purposes of this hearing, that

23

those exhibits be received.

24

We are prepared to proceed as soon as Your Honor is

25

ready to hear from the government.

1 Thank you.

2 THE COURT: Thank you.

3 Counsel?

4 MR. BOFFERDING: Yes, Your Honor. Thank you very  
5 much.

6 Your Honor, I have provided to the Court a ten-page  
7 memorandum justifying all the reasons I believe Mr. Hause is  
8 entitled to release. I also submitted letters from community  
9 members, Mr. Hause's medical records from the veterans  
10 administration, and along with a letter, a cover letter, with  
11 that.

12 What I'd like to talk about more than anything else  
13 right now is the history and characteristics of Mr. Hause. That  
14 is the most critical part of a detention hearing from the part  
15 of the defense. We have not received nor reviewed any discovery  
16 at all, so the only thing that I'm able to argue is why  
17 Mr. Hause should be released based on his personal history and  
18 characteristics.

19 Now, I'm not going to recite everything that I put in  
20 my memo. I'm just going to hit the main strong points, and the  
21 first one is dealing with character.

22 The people that I spoke with in Aumsville, not just  
23 his family, but other people, such as the chief of police of  
24 Aumsville, all said the same thing, basically that he's a kind  
25 man, they don't have problems with him, the Gypsy Jokers are not

1 running through his town. The chief of police, I'm talking  
2 about.

3 The chief of police has had many contacts with  
4 Mr. Hause through the years. At all times, he was peaceful. At  
5 no time was he causing trouble. He was, in all effect, an ideal  
6 citizen of Aumsville.

7 There are people ranging from waitresses to gas  
8 station attendants to lawyers. A lawyer, Paul Ferder, wrote a  
9 letter. He knows Mr. Hause very, very well. He would be here,  
10 but he's down south right now.

11 But what he did, he wrote a letter. I gave it to the  
12 Court. He told me to tell you that Mr. Hause is a man of honor.  
13 He's going to do what he says he's going to do. If he says he's  
14 going to be told to be released, go home, don't cause trouble,  
15 don't make threats, don't leave your home except when you have  
16 to for medical issues or to see me, that he will stay there. He  
17 will comply. He will not be a danger, he will not be a harm to  
18 anybody, Your Honor.

19 When you take a look at whether or not somebody is  
20 going to comply on pretrial services, you need to look whether  
21 or not the person has ever completed pretrial services  
22 supervision before, and he has 20 years ago.

23 Your Honor was provided a copy of a judgment order  
24 that showed that he was acquitted of distribution of drug  
25 charges 20 years ago. He was placed on pretrial services. He

1 successfully completed. He didn't have any violations. He  
2 showed up to all his court appearances. He showed up to his  
3 trial where, once again, he was acquitted.

4 If Your Honor tells him to do something, Mr. Hause  
5 will do it. He'll show up at all his court appearances, he'll  
6 show up to his trial, and, most importantly, he's not going to  
7 threaten anybody. That would cut against every interest for  
8 Mr. Hause. That would result in him being thrown back in jail,  
9 extra penalties if convicted. There is no reason for him to do  
10 that whatsoever.

11 The second issue I want to talk about is medical  
12 condition.

13 I provided you the medical records. And the medical  
14 records has -- it talks about what the conditions are in quite  
15 long words, medical words. But when you get right down to it,  
16 under layman's terms, he suffers from chronic congenital heart  
17 failure.

18 He had a heart attack years ago and he was given a  
19 pacemaker, and it's a condition that's going to kill him. It's  
20 just a matter of time, really. We're hoping for ten more years.  
21 We're hoping for medical advancements and things change and he's  
22 given a longer life. That could happen too. But right now we  
23 have to look at what's the focus.

24 THE COURT: He's how old now?

25 MR. BOFFERDING: He's 61. He turns 62 in May.

1 THE COURT: Go ahead.

2 MR. BOFFERDING: And his issue with his heart, he has  
3 an enlarged left ventricle which is caused by a disease that's  
4 progressive and it causes his left ventricle to enlarge and  
5 restricts the blood flow. He has a pacemaker which is -- as  
6 therapy that keeps his heart in rhythm.

7 But there are times when he has difficulties, where he  
8 has symptoms of heart failure itself. And in the medical  
9 records that I provided to Your Honor, in December,  
10 December 7th, I believe, he went and he saw his doctor, and he  
11 complained of, I believe, dizziness, exhaustion. He just wasn't  
12 feeling good, feeling really rundown. And, Your Honor, that is  
13 symptomatic of heart failure.

14 Mr. Hause contacted me through his wife a couple of  
15 days ago. He said he was feeling numbness in his extremities  
16 and he was feeling rundown. He wasn't feeling very well.

17 What that means is that he's not able right now to  
18 fully comply with what the doctors are telling him. The doctors  
19 gave him a protocol in December when they learned about his  
20 increased fatigue and they are very concerned about heart  
21 failure issues. And so they put him on a protocol, and the  
22 protocol includes taking your blood pressure every day. Can't  
23 do that in a jail. Supposed to use a CPAP machine to keep you  
24 from explosively snoring at night.

25 And the reason why that is -- there's two reasons for

1 a CPAP. One is to keep your spouse comfortable so she sleeps  
2 through the night, not waking her up all the time.

3 THE COURT: Is she here today?

4 MR. BOFFERDING: She is.

5 THE COURT: Raise your hand.

6 Thank you.

7 MR. BOFFERDING: And the second reason -- and I know  
8 this because my wife has a CPAP machine as well -- when you have  
9 an explosive snore, you're gasping for breath. What happens is  
10 you just stop breathing and you wake yourself up because you're  
11 not breathing and you snore explosively.

12 Those episodes are very traumatic on the heart. It's  
13 important that you have a CPAP machine that you use every night  
14 to keep your heart from going out when something like that  
15 happens.

16 Now, when you're in a jail -- he has a CPAP machine in  
17 his jail, but I know personally you have to clean those things.  
18 There's long tubes, there's a face mask that goes into the  
19 machine. Those tubes have to be cleaned out with scalding hot  
20 water regularly. You cannot do that in the jail. It actually  
21 is worse when it's not cleaned out because bacteria builds up  
22 and you can get really sick.

23 He has four separate medications that he needs to  
24 take. According to Mr. Hause, he is not receiving all of them.  
25 I have been getting mixed answers from the marshals and the



1 jail. I only know what my client tells me, and what he tells me  
2 is he's not getting all his medications regularly. There's four  
3 different ones. He's getting one regularly, but the other  
4 three --

5 THE COURT: Did he tell you that he refused  
6 medication?

7 MR. BOFFERDING: The reason for that, Your Honor,  
8 is --

9 THE COURT: Did he tell you that?

10 MR. BOFFERDING: He has. No, he did. That's what  
11 Columbia County told me.

12 Now, I've had that happen before. When you're in  
13 medical at Columbia County, my understanding is that they put  
14 you in essentially isolation. You're isolated there with no  
15 other human contact. It's very debilitating. It's not the  
16 cleanest place in the world. And when one of my clients, once  
17 again --

18 THE COURT: The question was quite simple. Did he  
19 refuse to take his medications?

20 MR. BOFFERDING: He asked to be --

21 THE COURT: Yes or no.

22 MR. BOFFERDING: I would say no because he asked to be  
23 moved to general population and they took that as a refusal.  
24 I've had them tell me before on other clients when they said I  
25 can't stay in isolation, get me in general population. But he

1 wasn't saying I'm not taking my meds. He's saying I don't want  
2 to be in isolation. So it's a yes and no.

3 THE COURT: Go ahead.

4 MR. BOFFERDING: The other protocols that he's been  
5 placed on is having a no-salt diet, keep regular medical  
6 appointments to check his pacemaker and his heart. The last  
7 appointment that he had scheduled he missed because he was  
8 incarcerated. One was two days after he was arrested and then  
9 another one was just a few days ago, last Friday, I believe.  
10 Those need to be rescheduled. And I believe he has appointments  
11 set every two months.

12 The next thing I want to talk about is past criminal  
13 conduct.

14 He does have a criminal history. Absolutely, he does.  
15 But every single one of those acts are very dated. They're very  
16 old. There's nothing even recent to indicate that Mr. Hause is  
17 now the person that the government believes he is and was. He's  
18 just not.

19 His last court sentence -- I believe it was for  
20 violation of supervision -- was August 6th of 2003. That's  
21 15 years ago, Your Honor.

22 According to the superseding indictment -- and once  
23 again, I haven't seen any discovery -- the last overt or  
24 predicate act involved in the racketeering count of count 1 is  
25 December of 2012. Your Honor, that's over six years ago. That

1 was before the time of his heart problems starting, which means  
2 that his life has changed dramatically and the way -- what  
3 Mr. Hause has focused on has changed significantly.

4 Right now he has deep family and community ties with  
5 Aumsville. His focus is now on his wife of 36 years, on his  
6 kids and his many grandkids. His grandchildren are his life.  
7 His day, he wakes up, he goes and visits the grandkids before  
8 they go to school. Then he goes to the bus stop. This is every  
9 day. The kids come home, get off the bus, he welcomes them. He  
10 takes -- he shoots basketball hoops with one of his grandkids.  
11 He's really, really involved in the family, and that is his  
12 focus.

13 I believe that Mr. Hause is a very good release  
14 candidate for home confinement and location monitoring. I don't  
15 believe he's now the man that the government believes he is, and  
16 his past many years of lawful conduct is the best indicator that  
17 he'll comply with conditions of supervision.

18 Now, three other things I want to talk about that  
19 basically directly rebut, in my mind, what the government is  
20 going to claim.

21 They're going to claim that somehow Mr. Hause was  
22 involved in the kidnapping and murder of the victim in the  
23 indictment. There's no evidence to indicate that at all. There  
24 is a phone call allegedly from defendant No. 1 to Mr. Hause  
25 prior to when all the alleged mayhem started, but there's no

1 evidence at all to indicate that defendant 1 was asking  
2 Mr. Hause for permission to order a murder.

3           There's no information at all to suggest that  
4 Mr. Hause ordered a murder. In fact, Mr. Hause's wife was  
5 present in the room with the conversation and heard the other  
6 side, heard Mr. Hause. At no time did he order a hit. It was  
7 just all moral support, comforting a good friend whose wife had  
8 just been traumatized. That's perfectly natural. It's not  
9 unordinary. And for the government to make a leap that that  
10 just must mean Mr. Hause ordered a hit, essentially, is  
11 misplaced. It's a leap of evidence. It's not sufficiently  
12 relevant to whether or not he is a threat to anybody.

13           The government is also going to make mention of some  
14 money. About \$35,000 was placed in my client's bank account  
15 back in 2017. The only indication that I could assume is the  
16 government's alleging that that's monies derived from illicit  
17 activity. But it wasn't.

18           According to the family, 2017, Mr. Hause's mother  
19 passed way. He received an inheritance of a little over  
20 \$35,000.

21           The government is then going to indicate that a few  
22 days later there was a 5,000, \$10,000 withdrawal. I'm not sure  
23 what they think that means. What it means from our side is -- I  
24 talked to his kids. No, that was money from the inheritance  
25 that Mr. Hause gave his children. He didn't keep it all for

1 himself, he passed it down, because that's what his main focus  
2 is, is his family.

3 The last thing the government is going to talk about,  
4 I believe, is there's a list of duties of the national president  
5 of the motorcycle club. And those duties all look to be at a  
6 macro level. It's organizational. It's not day-to-day  
7 activities. It's not ordering a murder. It's not ordering a  
8 kidnapping. It's just organization. It's -- it's not the micro  
9 level which would be somebody else's responsibility but not  
10 Mr. Hause's.

11 For those reasons, I'm requesting release with home  
12 confinement, with GPS monitoring.

13 THE COURT: Thank you.

14 MR. BOFFERDING: Thank you, Your Honor.

15 THE COURT: Counsel?

16 MR. MYGRANT: Thank you, Your Honor.

17 This is obviously a very serious matter, from the  
18 government's perspective. These charges were not brought  
19 lightly. This is the product of a multiyear investigation.

20 THE COURT: Well, let's get on the record what he is  
21 charged with and what the others are charged with.

22 MR. MYGRANT: Certainly, Your Honor.

23 He is personally charged with a racketeering  
24 conspiracy. That racketeering conspiracy is also to be alleged  
25 with his other co-defendants in this case.

1           There are five other co-defendants that have appeared  
2 before magistrate judges in this district. They have also  
3 appeared on charges relating to murder and kidnapping and VICAR,  
4 which is violence in the commission of aid of racketeering  
5 related charges. Mr. Hause is not charged in those substantive  
6 counts. He is charged --

7           THE COURT: He's not charged with murder, torture?

8           MR. MYGRANT: Or kidnapping.

9           THE COURT: Kidnapping.

10          MR. MYGRANT: Not charged for those specific  
11 substantive offenses.

12          THE COURT: Thank you.

13          MR. MYGRANT: However, he is charged to be involved in  
14 a conspiracy with those co-defendants who did carry out that  
15 kidnapping, that murder of Mr. Huggins, as well as significant  
16 witness intimidation and assaults, some at the hands of  
17 Mr. Hause and some at his orders.

18          So we have commenced a lengthy investigation that has  
19 gone over two years. This doesn't -- this charge is not brought  
20 just by our office. It's in consultation with the organized  
21 crime gang section. And Mr. Hause ultimately is charged in that  
22 single count.

23          Procedurally, each of these other defendants have  
24 appeared at magistrate court. They have been detained as flight  
25 risks and as danger to the community given the homicide that

1 occurred, the witness intimidation that's occurred in this case,  
2 and the assaults that have occurred in this case.

3 This is a presumption case, Your Honor, as I know  
4 you're well aware, and I believe that that's where we should  
5 start from.

6 It is presumed, given the 20-year sentence that he is  
7 facing on this racketeering conspiracy, that he be detained.  
8 And we do believe that he is a danger to the community and that  
9 he is also a flight risk, and I'll go into those reasons in more  
10 detail momentarily.

11 In terms of this racketeering conspiracy, Your Honor,  
12 it's clear, it's un-rebutted that the defendant is the national  
13 president of this violent outlaw motorcycle gang. Period. End  
14 of story.

15 The Gypsy Jokers control Oregon from an outlaw  
16 motorcycle gang perspective. They don't have a lot of  
17 competition in Oregon because of a long history of them  
18 enforcing their club through violence and threats and witness  
19 intimidation and murder.

20 This defendant is the lead defendant of this criminal  
21 organization. They have multiple clubhouses here in the state.  
22 They have an international presence in Germany, in Australia,  
23 and the state of Washington and elsewhere.

24 This investigation really began with the murder of  
25 Mr. Huggins. I've outlined in the sentencing memo the history

1 of that case. I won't repeat all of it, but there are a few  
2 important details that bear repeating.

3 Mr. Huggins was a member of the organization in which  
4 Mr. Hause was in control of. Mr. Huggins was removed from the  
5 organization after intravenous drug use and stealing club funds.  
6 Mr. Huggins then engaged in criminal activity of his own  
7 involving one of the co-defendants in this case when he  
8 committed a robbery of one of the victims.

9 THE COURT: Robbery or burglary?

10 MR. MYGRANT: It was a robbery and a burglary and a  
11 kidnapping at Mr. Dencklau's residence in which his then  
12 girlfriend was tied up and this robbery, burglary, kidnapping  
13 did occur.

14 THE COURT: Yes.

15 MR. MYGRANT: Undisputed.

16 What happened from there is what really triggered this  
17 investigation. Mr. Dencklau returned to his residence in  
18 Woodburn where the first -- after he talked to his girlfriend at  
19 the time, the very first call he made was to Mr. Hause.

20 Mr. Hause acknowledges that, that he had that phone  
21 call with him. Mr. Hause subsequently went to Mr. Dencklau's  
22 house and they had a consultation.

23 I can tell the Court that for the next 25 days it was  
24 a manhunt for Mr. Huggins. This organization had a hit out for  
25 Bobby Huggins, and the principal shot caller of his organization



1 is the defendant here in the courtroom today.

2 Mr. Huggins lasted 25 days. He ultimately was  
3 abducted by about a half dozen of these guys, all members or  
4 associates, support club members of the Gypsy Jokers. They  
5 kidnapped him, they brutally beat him, they tortured him, and  
6 they dumped his body after several hours of torture in southwest  
7 Washington and left him to die.

8 His tattoos that he had showing allegiance to the  
9 organization were x'd out. This was a gruesome brutal murder  
10 that occurred at the hands of this criminal enterprise.

11 The defendant is in fact the de facto CEO of this  
12 organization, of this enterprise. And that "CEO" really could  
13 stand for chief enforcement officer.

14 If the Court has the ability to look at Government  
15 Exhibit 1, which I've offered to the Court, one of his -- he has  
16 several different duties as the wizard of the Gypsy Jokers.  
17 "The bull stops here," Government Exhibit 1 says. He is to  
18 enforce USA business. He is to work closely with all --

19 THE COURT: "USA" standing for what?

20 MR. MYGRANT: United States of America for the Gypsy  
21 Jokers in which he is the national president.

22 THE COURT: To enforce -- again?

23 MR. MYGRANT: Enforce United States business with  
24 presidents, assuming there's presidents in Norway, there's  
25 presidents in Australia, and the international component to this

1 criminal enterprise.

2 He also --

3 THE COURT: Well, I'm not following the connect.

4 MR. MYGRANT: He's an enforcer. USA is Gypsy Jokers'  
5 acronym for this particular enterprise, this national enterprise  
6 in the United States of America.

7 THE COURT: All right. I see what -- okay. I follow  
8 you. Go ahead.

9 MR. MYGRANT: He also -- one of the rules, No. 8, is  
10 to put all the fingers in a glove to make a fist. That, again,  
11 goes inline with the theory of the government's case, that  
12 Mr. Hause is the top dog. He is the big guy. He is the chief  
13 enforcement officer of this criminal enterprise.

14 It's a 1 percent motorcycle club, Your Honor. They  
15 take pride in that 1 percent. That means that  
16 they -- 99 percent of motorcycle riders in the world are  
17 law-abiding citizens. They are the 1 percent in which they take  
18 pride in which they are not law-abiding citizens. They don't  
19 follow the rules, and yet what's being asked and proposed here  
20 is to outline a list of rules that he's to comply with of  
21 conditions of release.

22 His identity for the last 30 years has been to go  
23 against the rules, to be part of that 1 percent. This is a  
24 highly organized top-down model of an enterprise.

25 I can tell the Court that his criminal history, I

1 don't dispute that he has nothing in the criminal history  
2 worksheet since 2005. From 1980s until 2005, I think it's worth  
3 talking through those and I would like the opportunity to do  
4 that.

5 In 1998 he had a misdemeanor assault in which he was  
6 convicted in Stayton. Your Honor, there were three probation  
7 violations that occurred from that assault 4. That probation  
8 was ultimately revoked and a full year of custody was imposed  
9 following his unsuccessful supervision.

10 In 1999, he was convicted of a felony assault 4  
11 involving domestic violence of his wife. There were multiple  
12 violations resulting in the revocation --

13 THE COURT: Of his present wife?

14 MR. MYGRANT: That's my understanding, Your Honor.

15 And that was four months of Department of Corrections  
16 after it was -- he ultimately -- he got a probation case up  
17 front. That was revoked after multiple violations. He was -- a  
18 four-month sentence, DOC sentence was imposed with 12 months of  
19 post-prison supervision.

20 While on post-prison supervision he was violated  
21 for -- and sanctioned for associating with Gypsy Jokers, using  
22 methamphetamine, and having contact with his wife.

23 Again, somebody that's asking to be released proved to  
24 be unsupervisable when he was on probation in Marion County and  
25 on post-prison supervision.

1           He was convicted again in 2002 for felon in possession  
2 of a firearm, Your Honor. He received a probationary sentence  
3 again. That too was revoked.

4           He served 13 months in the Department of Corrections.  
5 And then I think this is important. While on post-prison  
6 supervision, he was sanctioned multiple times. In January of  
7 '04, he was sanctioned for associating with Gypsy Jokers. In  
8 December of '04 he was sanctioned for use of methamphetamine and  
9 being untruthful to his supervising parole officer.

10           In January '05, sanction for meth use. May of '05,  
11 sanction for meth use. September of '05, sanction for meth use.  
12 October of '05, sanction for meth use.

13           This is somebody who is again asking to be released  
14 into the community to follow rules, yet his history shows that  
15 he does not conform with conditions of probation and  
16 supervision.

17           I understand that his criminal conviction -- he  
18 doesn't have criminal convictions after 2005. However, as part  
19 of the government's investigation, Your Honor, we have outlined  
20 in the indictment, superseding indictment, with excruciating  
21 detail several acts of criminal behavior that continued right  
22 after the defendant was released from supervision and continuing  
23 on, and I would like an opportunity to briefly go over those  
24 overt acts.

25           In September of 2008, Mr. Hause is alleged in the

1 superseding indictment to have punched out an Oregon Veteran  
2 Motorcycle Association member and knocked his teeth out.  
3 Mr. Hause then warned that member he had 30 days to shut down  
4 that support club to the Gypsy Jokers. Following that assault,  
5 the allegation is that Mr. Hause threatened to kill any OVMA  
6 member who told of the assault.

7 THE COURT: Which stands for what?

8 MR. MYGRANT: Oregon Veterans Motorcycle Association,  
9 which is a support club to the Gypsy Jokers.

10 MS. STATON: It's not a support club.

11 MR. MYGRANT: I stand corrected. Oregon Veterans  
12 Motorcycle Association.

13 THE COURT: Thank you.

14 MR. MYGRANT: Your Honor, in January of '09, multiple  
15 members of the Gypsy Jokers assaulted another Oregon Veteran  
16 Motorcycle Association member for failing to follow Mr. Hause's  
17 order.

18 In July of '09, Mr. Hause and his co-defendant in this  
19 case, Mr. Dencklau, instructed OVMA members to remove a patch.  
20 Dencklau then assaulted that member.

21 September of '12, evidence showed in this  
22 investigation that Mr. Hause ordered a Gypsy Joker to assault  
23 another Gypsy Joker club member. In September of 2012 Hause  
24 assaulted a Gypsy Joker member, knocked him unconscious with a  
25 sap.

1           September of 2012, Mr. Hause punched and stomped a  
2 Gypsy Joker member in the head knocking out several teeth. In  
3 September of 2012, Mr. Hause threatened to kill another Gypsy  
4 Joker club member if he didn't surrender his motorcycle.

5           There are multiple instances in this superseding  
6 indictment in which the defendant's engaged in the distribution  
7 of methamphetamine.

8           This criminal activity did not stop following his  
9 supervision, Your Honor. This criminal activity kept on going.  
10 The reason that it didn't result in convictions is because they  
11 have built fear in the community, that anybody that reports this  
12 criminal behavior will pay the consequences. And so Mr. Hause,  
13 in his position of authority, has been protected.

14           And now we want to release -- now the recommendation  
15 from defense is to release him back in the community. There are  
16 multiple instances in this investigation, Your Honor, in which  
17 witnesses have been tampered with or attempted to be tampered  
18 with. We have had to take extraordinary steps to try to protect  
19 these individuals, including moving multiple people out of  
20 state, and we are attending to that almost on a daily basis.

21           Mr. Hause does have international ties to this  
22 enterprise.

23           THE COURT: Would you repeat that sentence? The  
24 beginning of that last sentence.

25           MR. MYGRANT: Mr. Hause has international ties? Or

1 going back one before that?

2 We are -- there are multiple witnesses that we have  
3 had to take proactive steps, meaning the government has had to  
4 take proactive steps, to move out of state because of safety  
5 concerns.

6 THE COURT: Talking about currently?

7 MR. MYGRANT: Currently.

8 THE COURT: Yes.

9 MR. MYGRANT: This -- Mr. Hause does have  
10 international ties. This Gypsy Jokers outlaw motorcycle club  
11 has ties in Norway, it has ties in Germany, and there are other  
12 chapters throughout the United States too.

13 I refer the Court to Government 4, Government  
14 Exhibit 4 and 5 and 6 which show the international nature of  
15 this organization. There is a photograph of the Gypsy Jokers  
16 Norway chapter. There is a photograph in Exhibit 5 in which  
17 Mr. Hause is pictured with multiple members from this  
18 international organization.

19 This is purely to demonstrate the international ties  
20 that he and his outlaw motorcycle club have to the world.  
21 Government No. 6 shows the Australian chapter, the clubhouse in  
22 Sidney, and its presence and his access to those people.

23 I also provided to the Court and to defense counsel in  
24 Government's Exhibits 2 and 3 two financial statements which  
25 show large deposits of \$35,000; in Government Exhibit 3, a

1 deposit that was made in 2017, as well as some other --

2 THE COURT: Did you have an opportunity to examine the  
3 validity of his claim that this was an inheritance?

4 MR. MYGRANT: I have not, Your Honor. We obtained  
5 that information today.

6 THE COURT: I'm sure you will.

7 MR. MYGRANT: We will follow through on that.

8 THE COURT: Go ahead.

9 MR. MYGRANT: Your Honor, just about to wrap up here.  
10 But in terms of the --

11 THE COURT: We're in no hurry.

12 MR. MYGRANT: Thank you.

13 In terms of the medical situation, I've personally  
14 consulted with the deputy marshals and Deputy Sanchez. It's my  
15 understanding that the defendant did refuse medical treatment,  
16 that -- for his heart medication, that the Columbia County jail  
17 is taking every step to make sure that he is able to take his  
18 heart medication, that they are taking the situation seriously,  
19 and we will do everything we can to ensure that his health is  
20 protected. And I believe that the marshal service and the  
21 Columbia County jail are taking those important steps.

22 In closing, Your Honor, I just want to hit on a few  
23 important points.

24 It's really un-refuted that he is the head of this  
25 criminal enterprise. Multiple members of this criminal



1 enterprise committed a murder, according to the superseding  
2 indictment and we intend to prove at trial.

3 This is a 1 percent outlaw motorcycle club.

4 THE COURT: For the record, who are you claiming did  
5 the torture and murder?

6 MR. MYGRANT: Well, the indictment alleges that  
7 Mr. Dencklau, Mr. Pribbernow, Mr. Erickson, Mr. Fisher,  
8 Mr. Negrinelli, and others. And Mr. Folkerts is the last one.  
9 And there may be -- there may be more to come, Your Honor.

10 I can tell the Court that it goes beyond just this  
11 murder. There is a pattern here of enforcement, of  
12 intimidation, of threats, of assaults, to further the influence  
13 of this criminal enterprise.

14 They take pride in that 1 percent notation of being  
15 a -- you know, the 1 percent that doesn't follow the rules, yet  
16 the irony is they want to convince the Court that they will  
17 follow all the rules that would be imposed if pretrial was to be  
18 given.

19 He does have this past history. It is not a good past  
20 history of supervision. It's repeated failures.

21 It's the government's position that release -- the  
22 defense has not overcome the presumption. The presumption of  
23 danger and flight risk apply. The defendant has access to funds  
24 as is listed in the pretrial services report. He has access to  
25 properties that are owned. He has international ties. He is a

1 flight risk, from the government's perspective, and the defense  
2 has not overcome for presumption that he is.

3 Additionally, we believe he is a danger to the  
4 community. He may not be the person that goes out and  
5 personally intimidates witnesses or personally assaults  
6 witnesses, but he has the ability to influence others who can,  
7 and that is a risk that is not worth taking, from our  
8 perspective.

9 When the defendant was interviewed by the ATF and  
10 Portland Police Bureau in his post-arrest interview, he  
11 indicated that he knew what he signed up for, and he signed up  
12 to be part of a criminal enterprise that has engaged in all of  
13 this criminal behavior that I have outlined extensively for the  
14 Court here this morning.

15 I would ask the Court to follow the presumption and  
16 detain Mr. Hause pending trial.

17 Thank you.

18 THE COURT: Thank you.

19 MR. BOFFERDING: May I respond?

20 THE COURT: Do you wish to add anything?

21 MR. BOFFERDING: I do, I do.

22 THE COURT: No, no. Excuse me.

23 I'm talking to your associate from DC.

24 Go ahead.

25 MS. STATON: Thank you, Your Honor.

1           A couple of things I would add to -- Mr. Mygrant has  
2 covered it sufficiently and thoroughly.

3           But I think Your Honor knows just this basic idea that  
4 Mr. Hause, while not charged with these substantive counts,  
5 Mr. House is charged with RICO conspiracy, and that means that  
6 Mr. Hause, as the national leader of this enterprise, is charged  
7 with agreeing that he or someone else would commit two  
8 racketeering acts. The racketeering acts alleged in this  
9 indictment, as you know, Your Honor, are murder, kidnapping,  
10 extortion, robbery, and witness tampering with him at the head.

11           Documents taken from his home during the takedown,  
12 January 30th, just a couple of weeks ago, lay out his role. He  
13 is the wiz. The bull stops here. This is government's  
14 Exhibit 1. He is to enforce USA, which we know to be through  
15 this investigation, Gypsy Jokers, to enforce USA business with  
16 the presidents.

17           That's what that phone call was. When he went to Mark  
18 Dencklau's house just after he was robbed, a month later, Bobby  
19 Huggins was dead.

20           Your Honor, I know that you've heard a lot of  
21 evidence. We are very concerned about the safety of witnesses  
22 in this case. Very concerned. There are specific allegations  
23 of witness tampering in this indictment. And as Mr. Mygrant  
24 pointed out, we have moved several individuals already out of  
25 safety concerns and we are very concerned about the

1 dangerousness of this defendant.

2 We also know very well that he is a flight risk. That  
3 calendar referenced in Government's Exhibits 4 and 5 are from  
4 2015. That's recent, Your Honor. That's a Norway calendar, a  
5 Gypsy Joker calendar from Norway that this defendant had at his  
6 house two weeks ago, that he has in his possession.

7 And guess what? His picture is in it. He is in a  
8 calendar from Norway -- Norway -- with representatives of the  
9 Gypsy Jokers. He's in that photo with representatives from  
10 Gypsy Joker Australia, Gypsy Joker Germany, Gypsy Joker -- Gypsy  
11 Joker Norway. All of those individuals are in the same photo  
12 that he's in, and he's the president.

13 All of these things taken together, Your Honor, I hope  
14 that you'll consider them.

15 I know that pretrial is not able to consider the  
16 nature of the evidence, the strength of the evidence against  
17 this client but -- against this defendant, but this Court is,  
18 and we hope that you will.

19 THE COURT: Thank you.

20 MS. STATON: Thank you.

21 THE COURT: Response?

22 MR. BOFFERDING: Yes, Your Honor. I have four  
23 responses to make. First of all has to do with the medication  
24 issue.

25 Mr. Hause told me that there was a time not too long

1 ago he was at Columbia County. They tried to administer him his  
2 gout medication in the evening. He refused. No, I need that  
3 pill in the morning. They took that as a flat refusal.

4 And again, that's not out of the ordinary with  
5 Columbia County and how they deal with my clients on medical  
6 issues.

7 The Norway calendar, we assume it's a Norway calendar.  
8 It's a calendar. We don't know who made it. We don't know  
9 where the pictures were taken. It just shows up on a calendar.  
10 It's not evidence that he was anywhere at any particular point  
11 in time. It's a photograph that was taken. Somebody took a  
12 photograph and they printed up some calendars with it. It  
13 doesn't indicate that he was in Norway 2015, 2005, 1987. It  
14 doesn't.

15 The government -- the third thing I want to talk about  
16 is, the government is right, burden of proof to show that  
17 he's -- clear and convincing evidence that -- of flight risk or  
18 a danger, and preponderance of the evidence of a flight risk.  
19 We acknowledge that, and we felt the defense has met its burden.

20 However, one thing that seems to have been lost on the  
21 government, they have a burden too. It's called the burden of  
22 persuasion. They have to persuade the Court that Mr. Hause is a  
23 danger. They haven't done that. They made leaps on innuendos,  
24 two people at the same place or two people on the phone at the  
25 same time. That doesn't mean anything. That's not evidence.

1 That's why we're here. They have not persuaded the Court, my  
2 argument, that he is at all a danger.

3 When Counsel suggests there was a phone call and order  
4 to a murder because he's the CEO, allegedly, she says that's  
5 what the telephone call was about. Well, she doesn't know that.  
6 She's guessing.

7 Well, we know from my conversation with his wife Kelly  
8 that's not what that conversation was about, a hit. Oh, my  
9 gosh, your wife got tied up, that's horrible, that's what it was  
10 about. It was a comfort issue. It wasn't about setting up a  
11 hit.

12 May I just have a moment?

13 You know, the last thing I want to talk about is  
14 issues of threats in general with people who are in custody.

15 We get cases from time to time where a person is in  
16 custody and they're charged with witness tampering. I've had  
17 that happen.

18 I actually went to trial a year and a half ago on a  
19 case exactly like that, and what I learned from that case is  
20 that if somebody who's locked up wants somebody outside to be  
21 threatened, it's actually really easy to do. You don't have to  
22 use a phone, you don't have to write a message to anybody. All  
23 you have to do is find somebody that's in jail who's getting out  
24 soon, offer them a little bit of commissary, a couple of candy  
25 bars, some money when they get out, maybe even drugs when they

1 get out or when they're in. Pass this message along for me.

2 Okay, you got it.

3 That's how you do it, there is no evidence, nobody  
4 knows, which means that the government's argument that Mr. Hause  
5 needs to be locked up to prevent threats against any witnesses  
6 rings hollow. There's no connection, there's -- no realistic  
7 argument can be made that a person in jail or out of jail cannot  
8 make a similar threat.

9 For that reason, the government has failed its burden  
10 of persuasion.

11 Thank you, Your Honor.

12 THE COURT: Thank you.

13 As I understand, for pretrial services, you're  
14 recommending release, but you cannot pass on the danger. Is  
15 that correct?

16 MS. CUBIAS: Your Honor, what the government indicated  
17 in stating that we're unable to consider the weight of the  
18 evidence, that is true. But we do --

19 THE COURT: Again, will you please speak up and bring  
20 the mic towards you.

21 MS. CUBIAS: We do think that there are conditions  
22 that are enforceable to ensure that there is safety within the  
23 community. We do not believe that Mr. Hause is a flight risk.

24 Does that answer the Judge's question?

25 THE COURT: And your bottom-line recommendation?

1 MS. CUBIAS: Release.

2 THE COURT: Thank you.

3 In respect to this matter, without revealing an  
4 identity of anybody, do you have a witness who will testify that  
5 this defendant, not circumstantially, but directly ordered the  
6 murder, the torture murder?

7 MR. MYGRANT: We can represent that we do not have  
8 that proffered testimony at this time, Your Honor.

9 THE COURT: You do not?

10 MR. MYGRANT: That's correct.

11 THE COURT: Thank you.

12 Well, without direct evidence, then there -- I have  
13 dealt with motorcycle people for the last at least 40 years,  
14 including the Outsiders, Gypsy Jokers, you name it.

15 There's no doubt that the defendant is the head guy,  
16 but there also at this point is limited evidence of his ordering  
17 the murders and torture murders of this former member of the  
18 group.

19 There's no question that on a conspiracy theory, that  
20 he can be held responsible for certain acts of the group if they  
21 can be proven beyond a reasonable doubt.

22 There's no question in this case that he has stability  
23 in his neighborhood, that he owns a home, he runs a business.  
24 He has medical care issues, which I find have been adequately  
25 managed in jail, but that are better managed, you



1 know -- locality, a local situation. He has a stable marriage.  
2 He is not a flight risk.

3 He is not -- at this point, I agree with Counsel. If  
4 someone wants -- is in jail and they've been in charge of an  
5 organization or if they want to solicit somebody else to do it,  
6 it can be done easily. It can be done in jail just as well as  
7 it can be done out of jail. It's -- we know well -- well know  
8 that such matters have been ordered and completed from an  
9 in-custody situation.

10 Without the potential of direct proof of his order,  
11 it's not enough to retain him at this juncture.

12 This is also tempered by the fact that this is complex  
13 litigation. I've been advised by one of your associates,  
14 Counsel, that you're talking about asking for a year from now  
15 for trial. Is that correct?

16 MR. MYGRANT: I believe that's accurate, Your Honor.

17 THE COURT: So to have him sitting in a county jail  
18 for a year with things percolating is another reason that he has  
19 not been proven beyond a reasonable doubt to be in custody at  
20 this juncture.

21 There's no doubt in my mind that he is capable of  
22 these acts, and that they may or may not be proven in trial.

23 I suggest however -- I'm well aware of the people that  
24 you have lined up to testify who are unknown and their locations  
25 are unknown, and we hope that that will continue to be the case.

1 But if -- this case should be ripe for trial. It  
2 shouldn't be a year. They're available now. We have everything  
3 known about this case now. You should be prepared to go to  
4 trial within six months, and I'm going to hold you to that.

5 The defendant will be released, but under home  
6 detention. That means complete home detention. No association  
7 via phone, land phone, cell phone, any form of communication  
8 with any member of the Gypsy Jokers, immediate resignation of  
9 any association in that group, no association with any member of  
10 that group. None.

11 The minute I get word that you're communicating or  
12 attempting to communicate with your fellow members, which are  
13 extensive -- your phone will be monitored. You'll be  
14 under -- you'll have a tracking device to track your -- where  
15 you do go.

16 But what I'm saying to you is you're going to  
17 be -- instead of jail, you'll be at home at Aumsville.

18 That's where your home is?

19 THE DEFENDANT: Yes, sir.

20 THE COURT: And no place else except to go to the  
21 doctor. No other exceptions without direct approval of me, not  
22 just the approval of your probation officer or your supervised  
23 release officer or your pretrial officer.

24 Now, I want to have -- are you through?

25 MS. STATON: I'm sorry, Your Honor.

1 THE COURT: Are there specific restrictions that the  
2 government wants in view of this ruling?

3 MR. MYGRANT: We're concerned about third-party  
4 contact as well with other members of this organization. So  
5 whether his wife communicates on his behalf to others -- we  
6 would consider that to be a violation.

7 THE COURT: There will be no communication by any  
8 member of the family. You're totally isolated from the members,  
9 former members of the Gypsy Jokers in any form.

10 Anything further?

11 MS. STATON: Just for clarification, Your Honor.

12 When you say members, former members, does that also  
13 include Gypsy Joker associates, people affiliated who may not be  
14 members, and, additionally, support club members, which are  
15 outlined in the superseding indictment?

16 THE COURT: That includes anybody with any attachment  
17 or association with the organization.

18 MS. STATON: Thank you.

19 THE COURT: In other words, we want -- the moment that  
20 we hear of anything that violates any aspect of this, you'll be  
21 hauled in and confined until trial.

22 Anything further?

23 MR. MYGRANT: No, Your Honor. Thank you.

24 THE COURT: For the defense?

25 MR. BOFFERDING: No, Your Honor. Thank you very much.

1 MS. CUBIAS: Your Honor, you spoke of having the  
2 defendant's phone monitored. We are able to monitor internet  
3 activity, but we cannot monitor conversations.

4 THE COURT: Do the best you can.

5 MS. CUBIAS: Okay.

6 THE COURT: Thank you.

7 Court is in recess.

8

9 (The proceedings concluded at 12:24 p.m.)

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## C E R T I F I C A T E

I certify, by signing below, that the foregoing is a true and correct transcript of the record, taken by stenographic means, of the proceedings in the above-titled cause. A transcript without an original signature, conformed signature, or digitally signed signature is not certified.

DATED this 28th day of February, 2019.

*// Ryan White*

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RYAN WHITE  
Registered Merit Reporter  
Certified Realtime Reporter  
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